

**TOY DISTRICT/DOWNTOWN INDUSTRIAL DISTRICT
BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING
APRIL 24, 2007
MINUTES**

BOARD MEMBERS

Present: Howard Klein, Matt Klein, Mark Shinbane, and Paul Vert.

Absent: Ernest Doizaki, Richard Gardner, Donald Kanner, Richard Meruelo, Thomas Payne, Larry Rauch, William Shinbane, Michael Tansey and Charlie Woo.

STAFF: Tara Devine, Raquel King, Greg Lee, Estela Lopez and Vicky McCormick.

CONSULTANTS: Qathryn Brehm and Don Steier

GUESTS: Chrysalis Enterprises Guests included their CEO Adlai Wertman, Chairman of their Board Tim Dubois, Sharon Spira-Cushnir and Nikki Canter.

I. CALL TO ORDER

Vert called the meeting to order with a quorum at 12:11pm.

II. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

LAPD Senior Lead Officer Steve Madrigal reported that Newton Division had a 57% drop in violent crimes, and a 52% drop in property crimes. Madrigal stated that major contributors to the decrease in crime have been the LAPD foot beats, as well as the BID public safety team.

Chrysalis Enterprises:

Lopez expressed that Chrysalis and CCEA have a longstanding relationship Chrysalis provides maintenance services for the Toy District and Downtown Industrial District BIDs, in which the

Chrysalis staff picks up ten tons of trash per day. She then explained that Chrysalis employs an “at risk” population that probably wouldn’t have jobs otherwise. Within the last couple of months however, CCEA experienced several unsatisfactory issues with the Chrysalis personnel. On March 29, 2007 the assistant supervisor of maintenance services was arrested in her CCEA uniform for conspiracy to sell cocaine. A few weeks later the supervisor of maintenance services tested positive for marijuana. In the month of March twenty-one (21) contracted staff were referred back to Chrysalis. Some of the referrals were for extreme issues such as using cell phones on duty, abandoning their post and their equipment and urinating on the sidewalk during their shift. Lopez stated that CCEA is not pleased with Chrysalis’ performance at this time. Lopez then thanked Chrysalis management staff for attending the CCEA Board meeting.

Chrysalis CEO Adlai Wertman introduced Chrysalis board Chairman Tim Dubois, and staff members Sharon Spira-Cushnir (COO) and Nikki Canter (Assistant to the CEO).

Wertman informed the Board that in the course of one year Chrysalis places 1,000 clients through their program. This includes Pacoima, Santa Monica, Sherman Oaks and Downtown Los Angeles. Wertman stated that Chrysalis supervisors also complete the Chrysalis program and are provided supervisory training, therefore becoming the individuals who help others going through the program. When a supervisor fails there are unfortunate consequences. Wertman stated that Chrysalis management staff was not receiving reports and/or feedback from the supervisor assigned to the CCEA contract.

Cushnir provided a summary of procedure improvements for the CCEA contract, reviewed each line item with the Board and answered questions.

Chairman Dubois expressed that the Chrysalis Board of Directors is taking CCEA’s issues very seriously. He thanked CCEA for

allowing Chrysalis to address the CCEA Board of Directors and asked CCEA to give Chrysalis an opportunity to fix its problems.

Steier expressed that Lopez made it clear that Chrysalis has been very responsive to the issues. Steier reiterated the longstanding relationship with Chrysalis and expressed that he would like the relationship to continue.

III. APPROVAL OF MINUTES

Mark Shinbane made a motion to approve the March 27, 2007 minutes, and Howard Klein seconded. The Board unanimously approved.

IV. TREASURER'S REPORT

Vert presented the 2007 first quarter financials to the Board. He stated that the Toy District had spent \$131,000 in the first quarter and the Downtown Industrial District spent \$343,000 tracking on budget.

Lopez then informed the Board that 21 communication radios were tested per the Board's request, and it was determined that three (3) radios were in good shape, (8) eight were marginal and (10) ten were beyond repair. She then stated that it would cost \$125 plus the cost of new batteries to repair the eight marginally useable radios. Lopez expressed that the radios are a life safety issue and a complete set of new radios are needed.

Vert then informed the Board that the Operations Committee met on April 23rd and approved the purchase of 51 new radios, and CCEA's line of credit could be used if needed.

V. TOY DISTRICT ENFORCEMENT

Lopez reported that CCEA and City departments are working with consultants from Englander & Associates to solve the trash issue in the Toy District. Lopez informed the Board that Council District 9 expressed their appreciation for CCEA taking the lead on resolving the trash issue. Public funds will pay for the consultants' work. The Community Redevelopment Agency

(CRA) and council District 9 “general purpose” funds have already been committed and will be transferred to CCEA for this expenditure. Other public funds will also be identified.

VI. OPERATIONS REPORT

McCormick reported that in the 1st quarter of 2007- 7,000 bags of trash were collected by the BID maintenance team. In the first quarter of 2006 the amount was 3,200. The amount of trash throughout the districts continue rise.

The maintenance staff is now approaching individuals who have shopping carts in their possession, asking them if they have trash to dispose of. The goal is to prevent as much of the trash as possible from being thrown onto the sidewalks and streets.

McCormick then expressed to the Board how pleased she is with the security team and is very impressed with the various police referral arrests made by the BID public safety officers in April.

VII. INDUSTRIAL LAND USE

Devine reported that Councilwoman Jan Perry’s office has scheduled the first meeting of the downtown industrial land use stakeholder working group, which includes Central City East Assn, Central City Assn, the Fashion District BID, Chinatown BID the HCNC and DLANC. The meeting will take place on May 3, 2007. The group will discuss several outstanding issues, including revised southern and western boundaries, resolving different land use processes for different parts of the Arts District, and how projects might be able to provide amenities and community benefits.

Devine then informed the Board that Lopez had two recent public speaking engagements regarding the Industrial Land Use policy. She recently addressed a faculty and graduate student forum at UCLA, as part of a panel that included Planning Director Gail Goldberg. Cecilia Estolano, CEO of the Community Redevelopment Agency, also invited Lopez to address her current class of UCLA Urban Planning graduate students.

VIII. NEW BUSINESS- None

IX. ADJOURNMENT- The meeting of the Board was adjourned at 1:25pm.